

(iv) To enter into any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Partnership, so long as said activities and contracts may be lawfully carried on or performed by a limited partnership under the laws of the State.

(v) To act on behalf of the Partnership in the Partnership's capacity as a general partner of any general or limited partnership.

(vi) To sell, convey and assign any or all of the assets of the Partnership and to take all other appropriate actions in connection with the liquidation of the Partnership.

B. The powers granted to the General Partners under this Agreement shall be exercised by approval of a majority in interest of all the General Partners hereunder based upon the Percentage Interests of the General Partners in their capacities as General Partners as shown in the Schedule. Any General Partner may from time to time, by an instrument in writing, delegate any or all of his powers or duties as a General Partner to another General Partner hereunder.

C. In the event there are more than two General Partners, prior to taking any action with respect to the sale, transfer, assignment, mortgage, pledge or encumbrance of any significant asset of the Partnership, the General Partner or Partners shall notify each General Partner of the proposed action and shall provide such General Partner a reasonable opportunity to consider the proposed action and to confer with the other General Partners regarding the proposed action.

Section 4.2 Consent of Limited Partners

Notwithstanding the foregoing, the General Partners shall not sell, mortgage or pledge all or substantially all of the

assets of the Partnership without the prior written consent of persons holding a majority of the interests in the Partnership held by the Limited Partners.

Section 4.3 Execution of Documents

Every document executed by any one General Partner shall be conclusive evidence in favor of every person (other than Partners) relying thereon or claiming thereunder that at the time of the delivery thereof (a) this Partnership was in existence, (b) this Agreement had not been terminated or cancelled or amended in any manner so as to restrict such authority (except as shown in the Certificate) and (c) the execution and delivery of such instruments were duly authorized by the General Partners. Any Person dealing with the Partnership or the General Partners may always rely on a certificate signed by any one General Partner:

(i) as to who are the General Partners or Limited Partners hereunder;

(ii) as to the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the General Partners or in any other manner germane to the affairs of this Partnership;

(iii) as to the authenticity of any copy of this Agreement and amendments thereto; or

(iv) as to any act or failure to act by the Partnership or as to any other matter whatsoever involving the Partnership or any Partner.

Section 4.4 Activities of Partners

Any Partner may engage in and have an interest in other business ventures of every nature and description, independently or with others. No General Partner shall be obligated to offer

ATTACHMENT F

Memorandum from Baker & Hostetler
to Astroline Communications Company Limited Partnership
dated November 10, 1988

BAKER & HOSTETLER

COUNSELLORS AT LAW

WASHINGTON SQUARE, SUITE 400

1000 CONNECTICUT AVE., N.W.

WASHINGTON, D.C. 20036

(202) 641-1500

TELESCOPIER: (202) 464-8367

TELESCOPIER: (202) 464-8318

TELEX (260) 838-7878

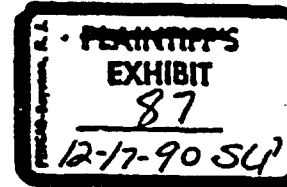
IN DENVER, COLORADO
303 EAST 17TH AVE., SUITE 400
DENVER, COLORADO 80203
(303) 641-0400

IN ORLANDO, FLORIDA
800 SOUTH ORANGE AVE., SUITE 2300
ORLANDO, FLORIDA 32801
(407) 841-1111

IN VIRGINIA
437 NORTH LEE STREET
ALEXANDRIA, VIRGINIA 22314
(703) 840-1204

November 10, 1988

MEMORANDUM



TO: Astroline Communications Company
Limited Partnership

FROM: Baker & Hostetler

RE: Restructuring Considerations

Astroline Communications Company Limited Partnership, licensee of Station WHCT-TV, Hartford, Connecticut, will be filing an application for renewal of its license on December 1, 1988. Competing applications will be accepted by the Commission up until March 1, 1989. Ordinarily, licensees are entitled to a very high expectation that their licenses will be renewed (a "renewal expectancy"). This renewal expectancy is awarded as long as the licensee in question establishes that it has satisfied its obligation to serve the public interest as a trustee of the public airwaves. As you are aware, however, last year the United States Court of Appeals stated:

If the FCC should initiate a comparative renewal proceeding concerning this license prior to resolution of the matters in MM Docket No. 86-484, in light of the representation made to this Court at the time appellant sought a stay of the FCC's order, the FCC shall conduct such proceedings without according intervenor Astroline Communications Company Limited Partnership any competitive advantage that would ordinarily accompany incumbency.

What up? by when?

HOSTETLER

Astroline Communications Company
Limited Partnership
November 10, 1988
Page 2

Accordingly, we think it is essential that any restructuring of Astroline which is to occur must take into account the very real possibility that Astroline will not be entitled to a renewal expectancy.

Without a renewal expectancy, in a hearing proceeding, the FCC will resolve the case based upon the standard comparative issue, and will thereby base its decision predominantly on two factors: (1) the extent to which each applicant's voting principals are integrated in managerial roles at the station ("integration"), and (2) the extent to which each applicant's voting principals have an interest in other broadcast media ("diversification"). The desired goal is to receive 100% quantitative integration credit and preference, with no diversification demerit. "Enhancement" of an applicant's quantitative integration credit is awarded for integrated voting owners' female gender, minority group status, past broadcast experience, local or area residency, etc. ("qualitative enhancements").

The extent to which non-voting, passive individuals may be owners of the applicant ordinarily does not affect the determination of the percentage of quantitative integration credit the applicant should receive. It does affect the analysis, however, in cases where it has been demonstrated that the non-voting participants (e.g., limited partners or non-voting stockholders) are not "passive," and are actually in a position to control or materially influence the licensee on matters pertaining to the day-to-day affairs of the station. In the case of a limited partnership, in order to properly prevent limited partners from being able to control or influence the general partners, the FCC now requires that limited partnership agreements contain provisions (1) specifying that an exempt limited partner (or its "constituent parts") cannot become "materially involved" in the management or operations of the media business of the partnership, and cannot act as an employee of the limited partnership if his or her functions relate, directly or indirectly, to the media enterprises of the company; (2) barring an exempt limited partner from serving, in any material capacity, as an independent contractor or agent with respect to the partnership's media enterprises; (3) restricting the limited partners from communicating with the licensee or general partner on matters pertaining to the day-to-day operations of its business; (4) empowering the general partner to veto the admission of new general partners; (5) barring the limited partner from voting on the removal of a general partner except in cases where the general partner is subject to bankruptcy proceedings, is adjudicated incompetent, or is found by an independent party to have engaged in malfeasance, criminal conduct or wanton or willful neglect; and

Astroline Communications Company
Limited Partnership
November 10, 1988
Page 3

(6) barring a limited partner from performing any services to the partnership materially relating to its media activities. Failure to include these provisions results in an award of less than 100% integration credit.

In a structure such as was initially proposed for Astroline, Astroline would be unable to include the required provisions. In the event individuals were named as limited partners, they would have to be barred from becoming materially involved in Astroline's affairs, yet because, as proposed, they would be involved as principals of one of the three general partners, they would be obligated to be "materially involved," and therefore would be placed in the position of being in immediate violation of the limited partnership agreement. Similarly, if limited partners are also principals of one of the general partners, it would be impossible for those individuals to abide by the provision barring limited partners from communicating with general partners. Based upon Commission precedent, Astroline may very likely have been entitled only to quantitative integration credit commensurate with its general partners' equity ownership -- namely, only 30 percent.

A Commission Review Board case released last week provides a good illustration of the result Astroline may face. In Stanley Group Broadcasting, FCC 88R-56 (Rev. Bd. 1988), an applicant (Aztec Broadcasting Corp.) was composed of three voting stockholders (51%, 47% and 2%), and its 51% and 47% voting stockholders stated their intentions to work at the station full-time in managerial roles. Aztec therefore claimed entitlement to 98% quantitative integration credit. The Review Board rejected that proposition. The 2% stockholder was also a 40.4% non-voting stockholder, and was an officer and director of the organization, and was obviously more than merely a "passive" investor. As an officer and director, that individual had a power similar to that of a general partner to bind the organization. The Review Board refused to ignore the equity interest of the non-voting stockholder, and reduced Aztec's integration credit to at least 60%.

All of the foregoing is to stress the importance of maintaining a strict separation between limited partners and general partners. General partners should be in complete control of the organization, and limited partners must be passive, non-voting equity holders. No partners should hold dual roles as limited and general partners. If you do so, you will run the risk that a competing applicant will prevail over Astroline for the right to operate on Channel 18 in the future.

If you have any questions regarding this matter, please feel free to contact either Dan Alpert or Linda Bocchi.

CERTIFICATE OF SERVICE

I hereby certify that, on this 5th day of August, 1997, I caused copies of the foregoing "Opposition of Shurberg Broadcasting of Hartford to "Petition for Emergency Relief and Stay of Proceedings" to be placed in the U.S. Postal Service, first class postage prepaid, or hand delivered (as indicated below), addressed to the following:

The Honorable John M. Frysiak
Administrative Law Judge
Federal Communications Commission
2000 L Street, N.W. - Room 223
Washington, D.C. 20554
(BY HAND)

James Shook, Esquire
Enforcement Division
Mass Media Bureau
Federal Communications Commission
2025 M Street, N.W. - Room 8202-F
Washington, D.C. 20554
(BY HAND)

Peter D. O'Connell, Esquire
Reed, Smith, Shaw & McClay
1301 K Street, N.W.
East Tower, Suite 1100
Washington, D.C. 20005-3317
Counsel for Martin W. Hoffman,
Trustee-in-Bankruptcy for
Astroline Communications Company
Limited Partnership

Howard A. Topel, Esquire
Fleischman and Walsh, L.L.P.
1400 Sixteenth Street, N.W.
Suite 600
Washington, D.C. 20036
Counsel for Two If By Sea
Broadcasting Corporation

Kathryn R. Schmeltzer, Esquire
Fisher, Wayland, Cooper, Leader
& Zaragoza L.L.P.
2001 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20006-1851
Counsel for Richard P. Ramirez


/s/ Harry F. Cole
Harry F. Cole

CERTIFICATE OF SERVICE

I hereby certify that, on this 6th day of October, 1997, I caused copies of the foregoing "Opposition of Shurberg Broadcasting of Hartford to 'Motion for Waiver and Application for Review'" to be placed in the U.S. Postal Service, first class postage prepaid, or hand delivered (as indicated below), addressed to the following:

The Honorable John M. Frysiak
Administrative Law Judge
Federal Communications Commission
2000 L Street, N.W. - Room 223
Washington, D.C. 20554
(BY HAND)


John I. Riffer
Assistant General Counsel
Office of General Counsel
Federal Communications Commission
1919 M Street, N.W. - Room 610
Washington, D.C. 20554
(BY HAND)

Peter D. O'Connell, Esquire
Reed, Smith, Shaw & McClay
1301 K Street, N.W.
East Tower, Suite 1100
Washington, D.C. 20005-3317
Counsel for Martin W. Hoffman,
Trustee-in-Bankruptcy for
Astroline Communications Company
Limited Partnership

Howard A. Topel, Esquire
Fleischman and Walsh, L.L.P.
1400 Sixteenth Street, N.W.
Suite 600
Washington, D.C. 20036
Counsel for Two If By Sea
Broadcasting Corporation

Kathryn R. Schmeltzer, Esquire
Fisher, Wayland, Cooper, Leader
& Zaragoza L.L.P.
2001 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20006-1851
Counsel for Richard P. Ramirez

James Shook, Esquire
Enforcement Division
Mass Media Bureau
Federal Communications Commission
2025 M Street, N.W. - Room 8202-F
Washington, D.C. 20554
(BY HAND)


/s/ Harry F. Cole
Harry F. Cole